



American Gilsonite Company
Bonanza Mine Site
29950 South Bonanza Highway
Bonanza, UT 84008
Phone: (435) 789-1921
Fax: (435) 789-1956

Tuesday, February 1, 2011

M/047/0010
cc: Leslie
Brett

Tammy Ferguson
Uintah County Road Department
1489 E. 335 S.
Vernal, Utah 84078

RE: T9S R24E Sec. 3 moving access 1/10 mile South

Dear Mrs. Ferguson,

American Gilsonite Company is moving forward through the process in an effort to re-align county road 004568. For clarification purposes as we have communicated to you, we are following UDOT's requirements to obtain the Encroachment Permit. We also acknowledge that although this re-alignment is taking place on our private mining claim, the road is still classified as a County D unmaintained road and will remain open for all public access. American Gilsonite Company will be performing the work based on Uintah County road construction criteria.

Upon completion of this re-alignment the old access will be ripped up to the point where the new one joins the current class D road. Public access will not be closed off at any time. As we stressed, the need for the re-alignment is primarily for increased Safety ingress to Hwy. 45 which will benefit all parties including the traveling public.

Thank you for your time and consideration in this matter. If you have any questions, please contact me at (435) 789-4540 or email me at sgreen@amgc.com

Sincerely,

Stuart L. Green
Sr. Vice President & Chief Operating Officer
American Gilsonite Company

xc: Rux @ UDOT

UTAH DEPARTMENT OF TRANSPORTATION PERMIT

HIGHWAY RIGHT OF WAY ENCROACHMENT

App ID: 41241

Activity:

Function: 9024

Region 3

R3-119024-0Date: **2/22/2011**

Application of: American Gilsonite Company

By: Mike Crouch

Work:(435) 789-1921 541 Cell:(435) 219-1987 Fax:(435) 781-6502

Address: 29950 bonanza Hwy Bonanza, UT 84008

Office:(435) 789-1921 541

is hereby granted subject to: Utah Department of Transportation's (UDOT's) Regulations For the Accommodation of Utilities on Federal Aid and Non Federal-Aid Highway Right-of-Way, Regulations for the Control and Protection of State Highway Rights of Way, Standard Specifications for Road and Bridge Construction, UDOT Specifications for Excavation of State Highway, State Occupational Safety and Health Laws, Manual on Uniform Traffic Control Devices, Instructions to Flaggers, the approved plans, and any special limitations set forth herein, permission for the purpose of **Relocate existing access for sight distance and safety** within the right of way limits in the following locations: **SR-45 at MP 8.58.**

Highway 0045 Milepost .000 to .000

in/near Bonanza, Uintah county

A permit fee of \$30.00 has been received.

The permitted work shall commence **2/28/2011** and shall be diligently prosecuted to completion. The work shall be completed and all disturbed surfaces or objects restored on or before **3/28/2011**. In the event work is commenced under this Permit and the permittee fails or refuses to complete the work, UDOT may, at its election, correct any deficiencies or otherwise complete the permitted work at the expense of the permittee. Upon receipt of an invoice of the costs incurred by UDOT, permittee shall immediately pay the amount due. If an action is required to be filed in court to collect the amount due, permittee shall be liable for UDOT's costs and fees, including attorney's fees.

Before work permitted is commenced, the permittee shall notify the Inspector listed below, ie: (**** 24 Hours before....****). By applying for the Permit and UDOT issuing the Permit, permittee will comply with all instructions, conditions, requirements, and regulations of UDOT with respect to performance of the work described in the Permit. Permittee will properly control and warn the public of said work with UDOT's rights-of-way to prevent any accidents. Permittee shall defend, indemnify, and hold harmless UDOT from all damages or claims, including attorneys fees, arising out of any and all actions performed under this Permit by permittee, permittee's employees, agents or contractors, including failure to comply with terms and conditions in this Permit. Permittee shall pay for UDOT's inspections fees.

Permittee shall hold an insurance policy in the amount of \$2,000,000.00, as determined by the Regional Director/District Engineer.

Permittee shall not perform any work on state highway rights-of-way beyond those areas of operation described on this Permit.

If permittee fails to comply with UDOT's regulations, specifications, or instructions pertinent to this Permit, the Region Director/District Engineer or his duly authorized representative, may by verbal order, suspend the work until the violation is corrected. If permittee fails or refuses to promptly comply, the Region Director/District Engineer or his authorized representative may issue a written order stopping all or any part of the work. When satisfactory corrective action is taken, an order permitting resumption of work may be issued.

****** 24 Hours before starting work, call Glen Slaugh at (435) 789-2333 ******

Special Limitations:

- Any asphalt damaged by your work will require a minimum 2" mill and overlay of the entire effected area with PG graded asphalt. Asphalt must either match existing depth with surface coat or be a minimum 6" and then surface coat.
- Licensee must do all work in accordance with UDOT standard drawings.
- USE current edition of UDOT Standard Drawings for Traffic Control. Use MUTCD Standards for Traffic control Elements not shown in UDOT Standard Drawings. Traffic Control Plan must be posted at the encroachment site for the entire encroachment period.
- Contact Station Foreman before starting project.
- This agreement and/or permit is UDOT approval only. You are responsible to obtain clearances from railroads, private property owners and local jurisdictions that you are working within.
- ANSI 107-2004 Class II clothing (or greater) is required of all workers within the right-of-way.
- Call 811, or contact Blue Stakes and check for other utilities in the area prior to excavation.
- No saw or pavement cuts permitted on this job.
- Licensee must place material such as road base, slag, gravel, etc. a minimum of 6" thick between edge of pavement and property line to prevent tracking onto the highway.
- ATSSA Certified Traffic Control Maintainer required.
- Licensee must do all work in accordance with UDOT approved plans.
- When a hazard is within the work clear zone and the vertical grade separation is 6" or greater or a slope steeper than 4:1, a UDOT approved barrier system is required.
- All work must comply with current ADA standards.
- An inspector may be required at permittee's expense, with 48 hours notice. By accepting this permit, I agree to pay for inspection fees.
- Licensee is responsible for repairing and/or restoring any portion of the roadway damaged during construction.

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- Licensee must restore shoulder of highway to its original or better condition. Including reseeding, replacing sidewalk, fencing, pipe, culverts or signs removed or damaged during construction and any other roadway features.
- Place pavement marking materials with a UDOT approved material within 48 hours of completion of paving. The pavement marking materials must meet UDOT standard specifications for a minimum of 6 months from time of placement.
- All work must be completed by 12:00 PM prior to any Holiday and shall not commence until 8:00 AM on the following work day.
- Licensee shall keep highway free of mud and debris. A sweeper broom must be accessible for cleaning purposes.
- Permit Holder will comply with all applicable environmental laws.
- A copy of the permit must be present at the encroachment site for the entire encroachment period.
- Traffic Control Only

No work is to be done within UDOT right of way when it is Snowing or has potential to Snow Due to possible Plowing by UDOT.

By carrying out the activities allowed by this permit it is conclusive evidence that I have accepted all provisions, limitations, and restrictions of the permit and attachments, understand and agree to all penalties for failing to comply with them, and understand my ability to review a permit and applicable attachments at the appropriate region/district office.

Mike Crouch (see app for signature)

(Permittee)

Approved By:

(for Region Director/District Engineer)

Maintenance Station No. 3437 Vernal, Glen Slaugh (435) 790-3313